

**WEATHER FORECAST.**  
Cloudy, probably rain or snow to-day; tomorrow clearing; moderate temperature.  
Highest temperature yesterday, 36; lowest, 12.  
Detailed weather reports will be found on page 21.

**THE BEST IN ITS HISTORY**  
The New York Herald, with all that was best of The Sun intertwined with it, and the whole revitalized, is a bigger and better and sounder newspaper than ever before.

# JUDGE TALLEY SEES PERIL IN BOLSHEVIK ATTITUDE OF JURIES

Joins Rosalsky and Mancuso in Denouncing Freeing of Guilty Persons.

## TALES MEN LOW GRADE

Cites Acquittal in Burglary and Combats Theory That All Policemen Lie.

## WOULD END EXEMPTIONS

Movie Film of Crime May Be Needed to Get Conviction Here, Says Jurist.

Judge Francis X. Mancuso has become the third of the Judges of General Sessions to disagree violently with juries within the last week. On Friday night Judge Mancuso discharged a jury that had just acquitted George Carmichael, a chauffeur, 201 East 115th street, who was on trial for first degree robbery.

So incensed was Judge Mancuso at this verdict that he told the jury members that he would request the Commissioner of Jurors to strike their names from the lists. On Wednesday Judge Talley dismissed a jury under similar circumstances. In both cases the juries were highly indignant and declared that the police testimony on which both cases pivoted was not in their estimation, worthy of belief.

Somewhat similar was the scene in Judge Rosalsky's court on Friday, when six talesmen, being examined for jury duty, declared that they would not give the same credence to police testimony as they would to the word of other classes of citizens. Judge Rosalsky dismissed these six men and the court read them a lecture upon the honesty of "ninety-nine out of one hundred" policemen.

Don't Plan to Make an Issue.

Judge Talley said last night that he and his fellow Judges in the Court of General Sessions were not contemplating making an issue of the suggested epidemic of non-belief in police testimony, but it was said elsewhere that the matter may be taken up at the next meeting of the Judges.

"Recent developments, I think, are due to something comparable with the spirit of lawlessness and revolt against authority and government that has manifested itself among criminals in crime outbreaks, and is indicated among persons not criminals but who are adverse to supporting organized government by putting down lawlessness and lawbreakers," Judge Talley said. "It is a manifestation of the Bolsheviki spirit, which to a certain degree seems to pervade the whole world."

It is due in part to the varied and complex conditions of present day civilization—a lack of appreciation of ideals and standards of good citizenship. Apparently violations of law and the commission of crimes are not regarded to-day by many persons so seriously as they were looked upon two or three years ago.

Lawbreaking Is Winked At.

"Practically every man called for a jury nowadays is willing to violate the prohibition law, and he knows all his friends are willing to do the same thing. That in itself is the breaking down in one spot at least of the respect for the law which every citizen should have. Once that respect for the law is shattered a breakdown all along the line is not extraordinary. It is exactly like a break in a wire conducting electricity. Although the air is charged with electricity and power houses are working overtime, one break in the wire and connection is destroyed."

Present day jury material is unsatisfactory. Two things contribute to this. First, the law, which permits exemption to about nineteen classes of citizens, including doctors, clergymen, teachers, newspaper men and others.

"All exemptions from jury duty should be abolished and every citizen compelled to serve. Whether any person is excused from jury duty should rest entirely in the discretion of the judge. There is no more reason for excusing classes from jury duty than for excusing classes from allegiance to the Government."

A second remedy rests with the juries themselves. There is too much laxity in excusing jurors. If all judges of the Supreme Court and General Sessions would agree to excuse no juror except for disability, jurors who up to the present have been able to get excused would be compelled to serve."

Breach Over Police Testimony.

In all three cases cited police testimony caused the breach. Carmichael had been on trial for a week. He was accused of robbing Samuel Richman, a jewelry salesman, 513 Lincoln place, Brooklyn, on November 1. The robbery was alleged to have occurred in

# PUBLIC BAMBOOZLED OUT OF MILLIONS IN 'STOCKS' EVERY YEAR

Unscrupulous Brokers Unload Oil Securities Even Before Well Is Drilled, Dividends Being Made Out of Early Investors' Funds—Post Office Files Reveal Many Sided Character of Swindles.

The gullibility of the public nowhere finds better illustration than in the files of the Post Office Department at Washington. Herewith are set forth some of the results of investigations which this department has made all over the country. The article will be found illuminating by all save those who were victims of the games portrayed. THE NEW YORK HERALD will publish tomorrow another of its series of articles dealing with the bucket shop evil of New York city. These articles will be published daily during the coming week.

Special Dispatch to THE NEW YORK HERALD.

New York Herald Bureau, Washington, D. C., Feb. 18.

Stock issues with a par value aggregating billions of dollars are offered each year to investors of the United States by unreliable corporations and brokers of the stock market. This is disclosed by the records of the office of Rush D. Simmons, chief of inspectors of the Post Office Department.

In the suite of offices occupied by Mr. Simmons is a large room filled from floor almost to ceiling with files packed with reports of get rich quick stock schemes investigated by the department's secret agents.

In all but a very small percentage of cases investors in these schemes lost their money through fraud. In a smaller percentage the loss was due to bad management by honest but inexperienced promoters. In the remaining cases judgment is being held in abeyance pending further operations of the concerns.

Jails and penitentiaries in every part of the country have stock scheme promoters and brokers whose careers were cut short by the investigations of the postal inspectors under the Federal statute which prohibits use of the mails with intent to defraud.

Occupying cells are presidents of oil concerns, vice-presidents, treasurers and other general executive officials of motion picture producing companies, vast automobile manufacturing projects, meat packing houses. Almost every form of business enterprise and manufacturing is represented in the reports of fraud cases.

Petroleum producing companies, however, lead all others in stock promotion schemes. Next come automobile companies. Movies are popular with the promoters just now because large fortunes are known to have been made in this form of enterprise.

"Capitalized at \$2,000,000." This is a familiar form in the prospectuses put out in stock promotion schemes. Copies of these prospectuses are on file by hundreds at the Post Office Department.

Regarded as Modest Start.

Few stock companies are promoted with a capitalization of less than \$1,000,000, the records show. In fact, a corporation which starts at that figure is regarded as modest in its financial plans.

The records contain histories of companies that actually paid dividends to stockholders for short periods. In some cases these dividends ran as high as 15 and 20 percent, although not a single product had been manufactured or sold.

Payment of high dividends is the bait by which fly by night stock promoters lure investors into exchanging their cash for beautifully engraved stock certificates.

How the average petroleum or oil corporation is floated is explained by the Post Office Department inspectors as follows:

One promoter acquires, at small cost a lease on undeveloped land in an oil district. With other promoters he organizes a corporation in some State near New York; exchanging his lease for a block of the corporation's stock. Some brokerage concern then undertakes to sell the stock, which usually totals several millions of dollars. The broker gives a contract to take so many shares of stock each month at \$30 or 40 cents a share if the par value be \$1.

Elaborate Prospectuses.

Elaborate prospectuses then are circulated calling attention to the profits of well established oil companies and stock is sold at par or above it if purchasers can be found—and they usually can be found.

With a portion of the money obtained a start is made at drilling a well. The work, however, proceeds leisurely and daily reports of progress, especially encouraging ones, are telegraphed to the corporation offices. If the reports can be made to appear encouraging they are circulated by the selling broker.

Finally, the well comes in and produces oil. Or it turns out a dry hole. In this case the promoters are satisfied. The corporation goes into bankruptcy. Being a corporation, its liabilities are not the personal liabilities of its officers or directors. These have cash which they obtained from the sale of their own stock, sales which were made before the public was allowed to know that the oil well turned out to be not a well at all, but rather, a mere hole in the ground.

So long as the corporation officials and the stock selling broker cannot be proved to have made false or misleading statements as to the actual conditions of the corporation during the drilling process they are generally immune from prosecution. The stockholders are the only losers. Their loss occurred because the company went bankrupt.

A dry hole is the ideal of the crooked oil promoter. A well that actually produces oil may become an embarrassment to him. The oil must be sold and profits distributed. Usually this results in a dividend of such a small percentage that the sale of stock comes to an abrupt halt.

One test of the oil company in process of promotion is how much stock

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# LANDIS QUILTS BENCH TO SERVE BASEBALL; WANTED FOR MAYOR

Movement Started at Once to Induce Him to Clean Up Chicago.

## DUAL JOB TOO MUCH

'Not Enough Hours in Day for All My Activities,' Is His Explanation.

## EVEN SKIPPED HIS LUNCH

Says He Has Been Rising at 5 in Morning in Effort to Catch Up.

CHICAGO, Feb. 18.—Judge Kenesaw Mountain Landis resigned to-day from the Federal bench of the northern district of Illinois, where he has presided for almost seventeen years.

"There are not enough hours in the day for all of my activities," he said in a written announcement of his decision. "Therefore, I have forwarded my resignation to the President, effective March 1."

The Judge henceforth will devote all his time to organized baseball, of which he has been supreme commissioner since the scandals growing out of the world series of 1919.

The most picturesque jurist of the United States announced his resignation in a characteristically picturesque manner. Arriving at the Federal Building early he dispatched a messenger to the press headquarters on the floor above, summoning newspaper men to his chambers.

"I have a little news item for you, boys," he said, "it's not very big, but I thought you might be interested."

Mimeographed Announcement.

He distributed to the reporters the slips of paper, on which had been mimeographed the brief announcement quoted. It was reliably reported that one of the results of the Judge's resignation was an immediate movement among attorneys and other friends to run him for Mayor.

"It is a wonderful opportunity for Chicago," said Chief Justice Kiekhafer of the Illinois Supreme Court. "It solves the Mayor's problem, though a mighty courageous man is lost to the bench. But Judge Landis should be drafted for the Mayoralty. He is the man to clean up Chicago. He would sweep Chicago from one end to the other."

In resigning, the Judge lived up to the challenge which he sent his critics when they attempted to force him off the bench fifteen months ago.

"I may quit," he said at the time, "but I won't quit under fire."

"When court adjourned the Judge added little to his statement regarding his resignation."

"That's all there is to it," he said. "There isn't time enough to do everything. I've worked hard. I'm even getting up at 5 o'clock in the morning. I've had to go without lunch for two weeks. Then, too, a fellow is in a bad way when he wants to stay in bed in the day time."

Leaves Bench Regretfully.

He declared that was the way he felt now and he realized that some remedy must be found. Showing signs of deep emotion he said: "I feel as if for me the law of gravitation had been suspended. It isn't possible that any man can have a more agreeable life than the seventeen years I have been on the Federal bench. From beginning to end it has all been just what I wanted to do and of course I can't walk out of here without regret."

The Judge was asked about the rumor that he was to be boomed for Mayor.

"Never heard of it," he said.

But Johnson, president of the American League, expressed great interest in Judge Landis's resignation, but said he could not comment on it now.

Rumors of the resignation have been current for months, and intimate friends have known for some time that the action was imminent. It has been generally understood that the Judge would have resigned some time ago but for the attacks on him by Senator Duff of South Carolina, and the notorious brought through his handling of the case of Willie Dalton, seventeen-year-old bank robber.

Senator Duff had attacked the Judge because of the latter's statement that bank officials sometimes were partly responsible for robberies by boys because they did not pay adequate salaries. Senator Duff and Representative Wetly

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# Balfour Americanized, Wails London; Says 'Sure,' and Wears Bill Bryan Hats

Special Cable to THE NEW YORK HERALD. Copyright, 1922, by THE NEW YORK HERALD.

New York Herald Bureau, London, Feb. 18.

There is something like consternation in the wide circle of Arthur J. Balfour's friends because he has brought back from America more than treaties, and something which apparently is not so gratifying or understandable—to them.

His horn rimmed spectacles was the first thing to be noticed. The Evening Standard says to-day: "Mr. Balfour has returned to us from the other side considerably American-

# BONUS RAIDERS DESPERATE, THREATEN TO BLOCK BILLS; MAIMED SOLDIERS PROTEST

SUFFERING WAR VICTIMS CRY OUT AGAINST BONUS

Thousand Crippled Ex-Service Men in Washington Institution Plan Appeal to President to Delay Bill at Least Until the Soldier Insurance Law Can Be Amended.

Special Dispatch to THE NEW YORK HERALD.

New York Herald Bureau, Washington, D. C., Feb. 18.

Wounded and crippled ex-service men at Walter Reed Hospital to-day were planning new moves in a campaign to oppose passage of the general soldier bonus bill until Congress shall amend the soldier insurance law to make possible payment of benefits to men incapacitated by wounds.

Personal visits to Senators and Representatives from New York and other Eastern States are planned by officials of the World War Veterans Committee as a sequel to their call Thursday upon President Harding.

Bedridden, lame and limb shattered relics of the battle fields have a right to consideration by Congress and the nation, the Walter Reed veterans told President Harding. This consideration is prior to the right for relief of able-bodied ex-service men, the hospital veterans argue.

"Take care of the incapacitated ex-service man first," is the way they put it.

Cripples Explain Position.

Hobbling about the wards of Walter Reed Hospital on crutches, some with arms or legs in plaster casts and forced to walk with canes, the wounded ex-service men explained their attitude to-day to THE NEW YORK HERALD. At the hospital are about 1,000 men. A very large percentage are unable to walk. Some cannot use their arms. Others cannot leave their beds. Still another group includes men who must go about with one arm strapped to an apparatus that holds it out at right angles to the torso.

"Are these men partly disabled?" asked John T. Hottel, chairman of the World War Veterans Committee.

"It would appear so, yet they are receiving nothing from the Veterans' Bureau under the disability clause of their insurance policies. Any insurance company in civil life that failed to meet its obligations in this way would be regarded as bankrupt."

An amendment to the Soldier Insurance law would settle the whole matter. Not a cent would have to come out of the Treasury of the United States. The money would be paid out of the funds of the Veterans' Bureau, which administers the insurance law. The money is there. The insurance plan of the great war is solvent. It is making a profit, so to speak, like any private insurance company."

Revolt at Charity.

The compensation payments now being made by the Government are like pensions the veterans explained. The men who receive them feel as if they were forced to accept charity. The compensation payments are made under a law different from the insurance law. The compensation payments are really gifts from the Government to the ex-service men. The law provides a maximum payment of \$100 a month for total disability, with the payments for partial disability scaled down from that.

"We are told that the soldier bonus bill is holding back the amendment of the insurance law," said Albert Henry Hottel, limping into the ward on a second long tour of Europe, left London in December and already has done 4,000 miles without an accident. Sharpe, who is wealthy and has retired from active business, has a hobby for viewing historical spots from the air. In making their present trip the two men passed south through France and Spain, along the eastern coast and across the northern coast of Africa, from Tunis to Sicily and then north along the eastern coast of Europe to the English Channel. Last September considerable interest was aroused by rumors that J. P. Morgan was making a financial inspection tour of Europe by airplane, but the mysterious American turned out to be Mr. Sharpe and not Mr. Morgan.

Lucien Sharpe is a brother of Henry D. Sharpe, a millionaire and head of Brown & Sharpe Manufacturing Company, Providence. He is unmarried and is regarded as somewhat eccentric. He has made already a three week airplane trip with Cobham, covering twelve European countries, with the idea of mapping out courses for commercial air routes. Last September considerable interest was aroused by rumors that J. P. Morgan was making a financial inspection tour of Europe by airplane, but the mysterious American turned out to be Mr. Sharpe and not Mr. Morgan.

President's Shoes Now Repaired in Kansas

Their Exhibit in Window Excites Interest.

Special Dispatch to THE NEW YORK HERALD.

EMERSON, Kan., Feb. 18.—President Harding has feet in keeping with his stature. This was the unanimous verdict of hundreds who saw the President's No. 10 shoes in a window today. The shoes had been repaired by E. A. Spady. "They are just ordinary shoes," Spady said this afternoon. "Plain No. 10 black kangaroo, calf dress shoes."

The shoes were worn at the heels and Spady put on new rubber heels. He also put on new soles, although the shoes did not need them.

The President sent the shoes to Spady at the request of Homer Hoch, Representative from the Fourth district, who had told Mr. Harding of Spady's skill as a shoemaker.

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# URGE SALES TAX

Legion Agents Confer With Congress Supporters on \$5,000,000 Levy.

# BACKERS SEEK ESCAPE

Senators and Representatives Pledged to Gratuity Plan a Retreat.

# PITY FOR DISABLED HIGH

Agitation for Unscathed Men Turns Eyes of Nation on Real War Sufferers.

By LOUIS SEIBOLD.

Special Dispatch to THE NEW YORK HERALD. Copyright, 1922, by THE NEW YORK HERALD.

Washington, D. C., Feb. 18.

The promoters of the bonus scheme to raise the national finances and business of the country devoted an off day to considering plans to save it from defeat.

Confessing their desperation the professional propagandists and their Congressional supporters indulged in many conferences without definite results. The most important feature of the conflict between the raiders on the one hand and the vast majority of the people of the country on the other continued to be a torrential downpour of protests against the whole bonus idea.

The majority of these protests clearly indicated growing indorsement of President Harding's suggestion that bonus legislation be postponed if not dropped. The sponsors for the most stupendous raid ever projected in the history of the country privately admitted that sentiment was swinging away from support of it. They assert, however, that they have no intention of releasing their Congressional supporters from their promises to put through a bonus bill regardless of the consequences to the country or to the Republican party.

May Adopt Bloc Policy.

Out of the confused situation that existed in both wings of the Capitol there developed a tendency to adopt the policy of the farm bloc in a final attempt to compel the President and Congress to sanction the bonus raid. This in effect was a threat to defeat all Government measures unless a bonus bill satisfactory to the ex-service men should be enacted.

The advocates of this plan urged the crippling of the army and navy by cutting down the appropriations of those two branches of the armed service. Another suggestion was that President Harding's plan for a ship subsidy of \$50,000,000 be rejected.

Realizing that public sentiment is not only turning away from the bonus scheme but is becoming decidedly antagonistic to it, the Congressional leaders who have committed themselves to support of it are trying to break down opposition to the suggestion of President Harding that a sales tax on production be adopted to finance the \$5,000,000,000 enterprise.

Firm Against Sales Tax.

Reaction from the President's suggestion in this respect has been anything but favorable. The agricultural approval have instanced their disapproval of any kind of sales tax in an unmistakable manner. The reasons urged in opposition to it reflect a confused state of mind, presumably inspired by lack of understanding as to its merits, due to a very large extent to the misrepresentation of the leaders in farm thought. The fact that the sales tax has proved to be a success in Canada and other countries, without appreciably increasing the burdens on the people, has been entirely ignored. The sales tax project has many supporters in Congress who are both for and against the bonus raid. These men are convinced that the adoption of it is necessary to increase the inadequate revenues of the Government for general purposes.

The bonus promoters have seized upon this tax in their desperation to find some way of providing the money for paying the gratuities established in the five point soldier compensation plan. They know President Harding will sign the bonus bill if it carries the sales tax issue; they have the very best reason for knowing he will veto any compensation measure which carries any other form of financing whether based upon bond issues or other methods of taxation.

What success, if any, the professional propagandists and their Congressional supporters will have in beating down the agricultural objections to the sales tax is problematic. The indications are that Western and Southern Senators and Representatives will

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